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FBI's Unusually Close Relationship With North Slated to Be Major Area of Iran-Contra Hearings

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WASHINGTON — Michael Boone, an agent in the Federal Bureau of Investigation's Los Angeles office, was startled to receive a telephone call two years ago from someone identifying himself as Lt. Col. Oliver North.

The caller urged stepped-up investigation of a private band of U.S. adventurers whose plans for military action in Central America, he asserted, threatened to undermine U.S. foreign policy and the cause of Nicaraguan rebels. The request was so "highly unusual," Mr. Boone later told superiors, that he suspected it was a hoax until the White House switchboard confirmed that Col. North worked for the National Security Council.

The FBI's response was equally unusual.

Agent Boone immediately gave Col. North a status report about the just-begun investigation without clearing it with headquarters. Other parts of the bureau later followed suit, after learning of the intense White House interest in the case, according to FBI documents obtained by lawmakers. During the next eight months, the FBI provided the National Security Council copies of summaries of sensitive criminal investi-

gative files—written by agents in Miami, Houston and at FBI headquarters here—with details on the progress of the Neutrality-Act inquiry. No charges were filed against members of this Contra splinter group that planned an invasion of Nicaragua, though some of the same individuals again are under investigation.

The cooperation with Col. North is one reason that the FBI's activities are slated to be an important topic during the joint House-Senate hearings into the Iran-Contra affair. FBI Director William Webster, who concurred in passing along some of the information, and other bureau officials have been plagued by a stream of embarrassing internal memos, missing or forgotten documents and conflicting recollections involving efforts by Col. North to influence law-enforcement officials.

Hints of Illegality

"The real question," says Sen. Arlen Specter (R., Pa.), a former prosecutor, "is how many other documents there may be in the FBI's files revealing such efforts? And how many contacts there were, for which there are no records at all?"

A major issue is why the FBI failed to aggressively pursue early hints of illegality involving aid to the Nicaraguan Contras. New information gathered by congressional investigators reveals that:

—Col. North relied on a wide network of acquaintances, contacts and associates inside the FBI for information and assistance. This group included agents who helped guard his home, interviewed him in his White House office, and served as a link to a secret brotherhood of "freelance" U.S. intelligence operatives whom

he described to the FBI as "rogue" Central Intelligence Agency agents.

As early as June 1985, 17 months before the Iran-Contra scandal forced Col. North out of the White House, memos show that FBI headquarters was aware of his close ties to Richard Miller, a conservative fundraiser recently convicted of conspiracy charges brought by Lawrence Walsh, the independent counsel investigating the Iran-Contra affair. FBI agents interviewed Mr. Miller about his fund-raising efforts for the Contras five times in one year. While the agents worried that Mr. Miller was trying to delay their inquiries, the bureau took no further action against him or his supporters in the White House.

—In April 1986, Oliver Revell, the FBI's executive assistant director for criminal investigations, learned about, but failed to follow up on, an allegation contained in an FBI document that Mr. Miller "was involved with the CIA in an oil deal in El Salvador." Some law-enforcement officials say the alleged transaction should have been interpreted as a source of potentially illegal aid to the Contras because Justice Department officials were told that proceeds were intended to go to the insurgents. And when the FBI began a top-priority internal review of the how the case was handled, one of the main investigators chosen to do the work had played an important role, along with Mr. Revell, in the original probe.

FBI Opened 41 Inquiries

—The FBI collected extensive intelligence about private Contra-aid efforts, and opened 41 separate criminal investigations of such operations going back to 1979, frequently running across Col. North's name in the process. In one revealing memo written after a July 1986 interview with Col. North, an FBI agent wrote that Col.



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North "confidentially advised" him that "the NSC maintained indirect contact" with a prospective contributor "due to the desperate need" the Contras had for private funds.

FBI officials now concede that such comments, on their face, suggest violation of a congressional ban against government solicitation of Contra aid. "Ollie North's name was rather well known among those involved with the Contras," acknowledges the FBI's Mr. Revell, who says further investigation clearly was warranted. However, Mr. Revell told a group of reporters last month that lower-level agents "simply didn't appreciate the sensitivity" of the issue, and that the crucial teletype messages never got to headquarters because of transmission problems.

Overall, Col. North and Rear Adm. John Poindexter, the former National Security Adviser who was his boss at the White House, attempted to sidetrack or interfere with five separate federal criminal investigations during the past two years, according to lawmakers and FBI documents. They convinced Mr. Revell to give Col. North updates on some probes. They also persuaded senior FBI and Justice Department officials to disregard bureaucratic protocol and urge the Customs Service, which is run by the Treasury Department, to restrict the scope of some of its inquiries.

Webster Acknowledges Mistakes

Sen. Specter, responding to questions about whether Col. North or other Reagan administration officials improperly tried to influence criminal investigations, asserts, "There's no doubt about it." Col. North, he says, "was pulling and prodding the FBI repeatedly" over the years, helping to create "a climate where the FBI winked at possible violations of the law."

Mr. Webster acknowledges that mistakes were made and that, in hindsight, he and his aides should have been more vigilant. But he denies that political pressure prevented the FBI from doing its job or "resulted in any change in our investigative process." The controversy, however,

didn't keep Mr. Webster from being confirmed as CIA director by the Senate yesterday.

But despite efforts by the FBI chief and his allies in Congress to deflect criticism, questions about the bureau's activities won't go away. Independent counsel Walsh already is looking into Col. North's dealings with the FBI and senior Justice Department officials. Later this year, after resolving issues involving immunity from prosecution for congressional witnesses,

Mr. Walsh suggests he will delve more deeply into FBI-related matters.

Meantime, members of the House-Senate committee conducting hearings on the Iran-Contra affair plan to quiz Attorney General Edwin Meese and other administration officials about the the FBI's handling of Contra-aid issues. "We will have ample time and opportunity to get into such questions," promises Sen. Warren Rudman, (R., N.H.), vice chairman of the Senate panel investigating the affair.

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